

STATISTICAL CODEBOOK FOR UI INEQUALITY BIAS DATABASE (.dta)

Last Revision: 07/07/2025

LIST OF VARIABLES

id	String identifier listing the state's two-letter FIPS code (SS) in a given year (YYYY). The format of the field is: YYYYSS.
year	Year (2002-2021)
st_postal	The two-letter FIPS state abbreviation.
state_numident	Numerical identifier of states. Ranges from 1 (Alabama) to 50 (Wyoming). The identifiers are listed in alphabetical order.
pop_size	Population size – The annual sum of the number of paid claims for a given state. <i>Source: Benefit Accuracy Measurement Database, 2002-2021; publicly available upon request from the U.S. Department of Labor Employment and Training Administration.</i>
detamt_clmt	The annual sum of claimant-responsible overpayments that are detected by state agency, in current dollars. <i>Source: U.S. Department of Labor ETA-227 "Overpayment Detection and Recovery Activities" Report, 2002-2021 (Obtained from https://oui.doleta.gov/unemploy/DataDownloads.asp)</i>
detamt_clmtreal	Original Dependent Variable: The annual sum of claimant-responsible overpayments that are detected by state agency, adjusted for inflation. In Actual 2010 Constant Dollar Amounts.

= (detamt_clmt)/(cpi/100)

Source: U.S. Department of Labor ETA-227 “Overpayment Detection and Recovery Activities” Report, 2002-2021 (Obtained from <https://oui.doleta.gov/unemploy/DataDownloads.asp>)

detamt_emp

The annual sum of employer-responsible overpayments that are detected by state agency, in current dollars.

Source: U.S. Department of Labor ETA-227 “Overpayment Detection and Recovery Activities” Report, 2002-2021 (Obtained from <https://oui.doleta.gov/unemploy/DataDownloads.asp>)

detamt_empreal

The annual sum of employer-responsible overpayments that are detected by state agency, adjusted for inflation. In Actual 2010 Constant Dollar Amounts.

= (detamt_emp)/(cpi/100)

Source: U.S. Department of Labor ETA-227 “Overpayment Detection and Recovery Activities” Report, 2002-2021 (Obtained from <https://oui.doleta.gov/unemploy/DataDownloads.asp>)

ui_adminagency

A string value indicating the name of the state agency that administers unemployment insurance (UI) program.

Source1: USDOL Employment and Training Administration (ETA) UI Program Letter “State UI Tax and TPS Contacts” NO. 27-02 & NO. 27-03, <https://www.dol.gov/agencies/eta/advisories> (Date of Retrieval: 10/15/2022).

Source2: USDOL- ETA Unemployment Insurance Performance Management Annual Report Appendix. “State Contacts”. 2004-2021. <https://oui.doleta.gov/unemploy/bqc.asp> (Date of Retrieval: 10/25/2022).

adminselect_code

Letter code of selection method of the top executive official of the UI administering agency of each state in a given year.

Source: The Book of the States. 2002-2021.

Code	Description
A	Appointed by agency head
AG	Appointed by agency head; Approved by the Governor
B	Appointed by a board or commission
BS	Appointed by a board or commission; Approved by state senate
CE	Constitutional, elected by public
CS	Civil service
CG	Appointed by cabinet secretary; Approved by the Governor
G	Appointed by the Governor
GB	Appointed by the Governor; Approved by both houses in state legislature
GE	Appointed by the Governor; Approved by either house in state legislature
GLS	Appointed by the Governor; Approved by a legislative joint committee
GS	Appointed by the Governor; Approved by state senate
GC	Appointed by the Governor; Approved by a council

Note: We re-coded Iowa 2008 and 2009 “AGS” as “GS”.¹

¹ For the purposes of our study, we replaced “AGS” with “GS” for Iowa 2008 and 2009. Although years 2008 and 2009 in Iowa had unique method of selection, we confirmed that these temporary changes in the method of selection have not affected the state administering agency (i.e. Iowa Workforce Development).

cpi	<p>Consumer Price Index (Base year is 2010).</p> <p><i>Source: U.S. Bureau of Labor Statistics,</i> https://www.bls.gov/cpi/data.htm (Retrieval Date: 10/04/2022)</p>
govparty_num	<p>Categorical variable indicating political affiliation of the governor in each state in a given year.</p> <ul style="list-style-type: none"> • 1 : D (Democrat) • 0 : I (Independent) • -1 : R (Republican) <p><i>Source: The Book of the States. 2002-2021.</i></p>
government_cont	<p>Partisan control of the state governor & legislature</p> <ul style="list-style-type: none"> • 1: Unified Democratic control of state government (i.e., the legislature and governor's office) • -1: Unified Republican control of state government. • 0: Else <p><i>Source1: Klarner, Carl, 2013, "State Partisan Balance Data, 1937 - 2011", https://doi.org/10.7910/DVN/LZHMG3, Harvard Dataverse, V1 (Retrieval Date: 11/04/2022).</i></p> <p><i>Source2: National Conference of State Legislatures, "Legislative Partisan Composition Table, 2012- 2021," https://www.ncsl.org/research/about-state-legislatures/partisan-composition.aspx# (Retrieval Date: 11/04/2022).</i></p>

The former IWD Director, Elisabeth Buck, sworn in office in 2007 and retired in December 2010. See the below archival webpages for more information.

- <https://www.desmoinesregister.com/story/news/politics/2015/01/11/teresa-wahlert-retires/21603791/>
- https://www.nwaf.org/board_members/elisabeth-c-buck/

sen_dem_prop_all % Democratic Legislators in Upper House

Source1: Klarner, Carl, 2013, "State Partisan Balance Data, 1937 - 2011", <https://doi.org/10.7910/DVN/LZHMG3>, Harvard Dataverse, V1 (Retrieval Date: 11/04/2022).

Source2: National Conference of State Legislatures, "Legislative Partisan Composition Table, 2012- 2021," <https://www.ncsl.org/research/about-state-legislatures/partisan-composition.aspx#> (Retrieval Date: 11/04/2022).

hs_dem_prop_all % Democratic Legislators in Lower House

Source1: Klarner, Carl, 2013, "State Partisan Balance Data, 1937 - 2011", <https://doi.org/10.7910/DVN/LZHMG3>, Harvard Dataverse, V1 (Retrieval Date: 11/04/2022).

Source2: National Conference of State Legislatures, "Legislative Partisan Composition Table, 2012- 2021," <https://www.ncsl.org/research/about-state-legislatures/partisan-composition.aspx#> (Retrieval Date: 11/04/2022).

uiadmin_budget_nominal Total amount of UI administrative expenditure used by state agencies, in current dollars within a given year.

Source: U.S. Department of Labor Employment and Training Administration. "Resource Justification Model," <https://oui.doleta.gov/rjm/> (Retrieval Date: 10/16/2022)

gdpbase2015 GDP deflator. This indicates the ratio of GDP in current U.S. currency to GDP in constant U.S. currency. The base year is 2015.

Source: World Bank,

<https://data.worldbank.org/indicator/NY.GDP.DEFL.ZS>

(Retrieval Date: 10/16/2022).

uiadmin_budget_real

Inflation-adjusted amount of total UI administrative expenditure used by state agencies within a given year. In Actual 2015 Constant Dollar Amounts, adjusted by GDP deflator.

= (uiadmin_budget_nominal)/(gdp/100)

publicunion_cov

Percent unionized workforce in the public sector in a given state for a given year. Measured as the percentage of public sector employees who are covered by a collective bargaining agreement.

Source: Hirsch, B.T. and Macpherson, D.A. "Union Membership and Coverage Database," <https://unionstats.com/> (Retrieval Date: 10/16/2022).

econideol_median

State economic policy liberalism: posterior median. Higher values indicate greater liberalism.

Source: Warshaw, C. and Caughey, D. "Mass Ideology and Policy Liberalism of American States from 1936-2020," <http://www.chriswarshaw.com/data.php> (Retrieval Date: 10/16/2022).

Note: 2021 data was retrieved by request from authors (Retrieval Date: 10/28/2022)

unemp_rate

Average unemployment rates of a given state, seasonally adjusted within a given year. In percentages (%).

Source: U.S. Bureau of Labor Statistics- Local Area Unemployment

Statistics. 2002-2021. Available at:

<https://beta.bls.gov/dataQuery/find?fq=survey:%5Bla%5D&s=popularity:D> (Retrieval Date: 12/22/2022).

electionyear

Binary indicator of “1” if there is a gubernatorial election in a given state for a given year, “0” otherwise.

*Source: *The Book of the States. 2002-2021.**

gubelection_type

Categorical variable of gubernatorial election cycle in a given state for a given year.

- **0:** Not an election year.
- **1:** Election year; Incumbent term-limited by state constitution.
- **2:** Election year; The state has no constitutional term limit for governor ***but*** the incumbent is not running for reelection (decided to retire).
- **3:** Election year; Incumbent is running for reelection & the state has constitutional term limit for the governor.
- **4:** Election year; Incumbent is running for reelection & the state has no constitutional term limit for the governor.

*Source: *The Book of the States. 2002-2021.**

emp_contributions

Total number of employers by state within a given year, measured by the total number of taxable accounts contributing to the unemployment insurance fund by every first quarter.

Source: U.S. Department of Labor – “ETA 581 Contribution Operations Report” Available at:

<https://oui.doleta.gov/unemploy/DataDownloads.asp> (Retrieval Date: 2/22/2023).

govname	Name of the state governor in a given year. <i>Source: National Governors Association, https://www.nga.org/former-governors.</i>
gov_bizyears	Total number of years of the governor serving in an executive position (CEO, President, Chairman, Partner Founder, Principal, and Owner/Co-Owner) in business. <i>Source: Compiled by the authors from online biographical sources. A comprehensive list is available upon request from the authors.</i>
gov_biz_binary	Binary variable indicating whether the governor has a business background of serving in an executive position (CEO, President, Chairman, Partner Founder, Principal, and Owner/Co-Owner) in business (i.e., gov_bizyears >0) <i>Source: Compiled by the authors from online biographical sources. A comprehensive list is available upon request from the authors.</i>
gov_biz	Binary variable indicating whether the governor has a business background of serving in an executive position (CEO, President, Chairman, Partner Founder, Principal, and Owner/Co-Owner) in business for at least 10 years. <i>Source: Compiled by the authors from online biographical sources. A comprehensive list is available upon request from the authors.</i>
gov_largebiz	Binary variable indicating whether the governor has a business background of serving in an executive position (CEO, President, Chairman, Partner Founder, Principal, and Owner/Co-Owner) in a large-scale business for at least 10 years.

Source: Compiled by the authors from online biographical sources. A comprehensive list is available upon request from the authors.

uiheadname Name of the state unemployment insurance agency head in a given year.

Source: Compiled by the authors from online biographical sources. A comprehensive list is available upon request from the authors.

uihead_bizyears Total number of years of the agency head serving in an executive position (CEO, President, Chairman, Partner Founder, Principal, and Owner/Co-Owner) in business.

Source: Compiled by the authors from online biographical sources. A comprehensive list is available upon request from the authors.

uihead_biz_binary Binary variable indicating whether the agency head has a business background of serving in an executive position (CEO, President, Chairman, Partner Founder, Principal, and Owner/Co-Owner) in a business (i.e., **uihead_bizyears**>0).

Source: Compiled by the authors from online biographical sources. A comprehensive list is available upon request from the authors.

uihead_biz Binary variable indicating whether the agency head has a business background of serving in an executive position (CEO, President, Chairman, Partner Founder, Principal, and Owner/Co-Owner) in a business for at least 10 years.

Source: Compiled by the authors from online biographical sources. A comprehensive list is available upon request from the authors.

uihead_largebiz Binary variable indicating whether the agency head has a business background of serving in an executive position (CEO, President, Chairman,

Partner Founder, Principal, and Owner/Co-Owner) in a large-scale business for at least 10 years.

Source: Compiled by the authors from online biographical sources. A comprehensive list is available upon request from the authors.

VARIABLES CONSTRUCTED IN STATA PROGRAM CODE

apptmethod_1 Converted appointed selection method types for unemployment insurance agency heads (variable **adminselect_code**) from string to numeric variable.

- **1: adminselect_code == "A"**
- **2: adminselect_code == "AG"**
- **3: adminselect_code == "B"**
- **4: adminselect_code == "BS"**
- **5: adminselect_code == "CE"**
- **6: adminselect_code == "CG"**
- **7: adminselect_code == "CS"**
- **8: adminselect_code == "G"**
- **9: adminselect_code == "GB"**
- **10: adminselect_code == "GC"**
- **11: adminselect_code == "GE"**
- **12: adminselect_code == "GLS"**
- **13: adminselect_code == "GS"**

nonpartisan_gubapprove Binary indicator for observations including non-partisan governors and those where governor has only approval but not direct appointment authority.

- **1: If apptmethod_1==2 , apptmethod_1 == 6, or govparty_num==0**
- **0: Else**

gubapptauth Categorical variable denoting alternative appointment methods

- **0: Lacking gubernatorial appointment authority, including lack of approval authority (apptmethod_1 is 1, 3, 4, 5, or 7)**

- **1:** Gubernatorial approval authority, but lacking gubernatorial appointment authority (**apptmethod_1** is 2 or 6)
- **2:** Gubernatorial appointment authority, but constrained by mere existence of approval institutions (**apptmethod_1** is (9, 10, 11, 12, or 13))
- **3:** Unconstrained gubernatorial appointment authority (**apptmethod_1** is 8)

gubapptauth_partisan Directional categorical variable denoting alternative appointment methods.

- **-3:** Direct, Fully Unconstrained Republican Gubernatorial Appointment Authority without Approval Institution. Meets the following condition:
 - **apptmethod_1==8 & govparty_num==-1**
- **-2:** Republican Gubernatorial Appointment Authority, Constrained by Approval Institutions of Same Party (Appointed by a republican governor, approved by a republican state legislature (GE, GLS, GS)/board (GB)/council(GC)). Meets any of the following conditions:
 - **apptmethod_1 == 9 & govparty_num==-1 & government_cont==-1;**
 - **apptmethod_1 == 10 & govparty_num==-1;**
 - **apptmethod_1 == 11 & govparty_num==-1;**
 - **apptmethod_1 == 12 & govparty_num==-1 & government_cont==-1;** or
 - **apptmethod_1 == 13 & govparty_num==-1 & sen_dem_prop_all < 0.50**

- Note: All democratic governors under **apptmethod_1==11** regime have senate and/or house majorities.
- **-1**: Republican Gubernatorial Appointment Authority, Constrained by Approval Institutions of Split or Opposite Party (Appointed by a republican governor, approved by either split or democratic state legislature (GE, GLS, GS)/board (GB)/council(GC)). Meets any of the following conditions:
 - **apptmethod_1 == 9 & govparty_num==-1 & government_cont!=-1;**
 - **apptmethod_1 == 11 & govparty_num==-1;**
 - **apptmethod_1 == 12 & govparty_num==-1 & government_cont!=-1;** or
 - **apptmethod_1 == 13 & govparty_num==-1 & sen_dem_prop_all >= 0.50**
 - Note: All republican governors under **apptmethod_1==11** regime have senate and/or house minorities.
- **0**: Lacking Gubernatorial Appointment Authority (A, B, BS, CE, CS, AG, CG). This category also includes lack of approval (AG and CG) as well as non-partisan, independent governors. Meets the following condition:
 - **gubapptauth <= 1 | govparty_num==0**
- **1**: Democratic Gubernatorial Appointment Authority, Constrained by Approval Institutions of Split or Opposite Party (Appointed by a republican governor, approved by either split or republican state legislature (GE, GLS, GS)/board (GB)/council(GC)). Meets any of the following conditions:

- **apptmethod_1 == 9 & govparty_num==1 & government_cont!=1**
 - **apptmethod_1 == 11 & govparty_num==1**
 - **apptmethod_1 == 12 & govparty_num==1 & government_cont!=1**
 - **apptmethod_1 == 13 & govparty_num==1 & sen_dem_prop_all <= 0.50**
 - Note: All democratic governors under **apptmethod_1==11** regime have senate and/or house majorities.
- **2: Democratic Gubernatorial Appointment Authority, Constrained by Approval Institutions of Same Party (Appointed by a republican governor, approved by a democratic state legislature (GE, GLS, GS)/board (GB)/council(GC)). Meets any of the following conditions:**
- **apptmethod_1 == 9 & govparty_num==1 & government_cont==1**
 - **apptmethod_1 == 10 & govparty_num==1**
 - **apptmethod_1 == 11 & govparty_num==1**
 - **apptmethod_1 == 12 & govparty_num==1 & government_cont==1**
 - **apptmethod_1 == 13 & govparty_num==1 & sen_dem_prop_all > 0.50**
 - Note: All democratic governors under **apptmethod_1==11** regime have senate and/or house majorities.
- **3: Fully Unconstrained Democratic Gubernatorial Approval Authority without Approval Institution. Meets the following condition:**

- **apptmethod_1==8 & govparty_num==1**

gubapptauth_partisan_rescaled

Alternative condensed “directional” categorical variable of **gubapptauth_partisan**, denoting alternative appointment methods (7-point scale)

- **0:** Lack of gubernatorial appointment control (Baseline; **gubapptauth_partisan** is 0)
- **1:** **gubapptauth_partisan** is -3
- **2:** **gubapptauth_partisan** is -2
- **3:** **gubapptauth_partisan** is -1
- **4:** **gubapptauth_partisan** is 1
- **5:** **gubapptauth_partisan** is 2
- **6:** **gubapptauth_partisan** is 3

gubapptauth_partisan_rescaled2

Alternative condensed “directional” categorical variable of **gubapptauth_partisan**, denoting alternative appointment methods (5-point scale)

- **0:** Lack of gubernatorial appointment control (Baseline; **gubapptauth_partisan** is 0)
- **1:** **gubapptauth_partisan** is -2 or -3
- **2:** **gubapptauth_partisan** is -1
- **3:** **gubapptauth_partisan** is 1
- **4:** **gubapptauth_partisan** is 2 or 3

gubapptauth_partisan_rescaled3

Alternative condensed “directional” categorical variable of **gubapptauth_partisan**, denoting alternative appointment methods (3-point scale)

- **0:** Lack of gubernatorial appointment control (Baseline; **gubapptauth_partisan** is 0)

- **1: gubapptauth_partisan** is -1, -2, or -3
- **2: gubapptauth_partisan** is 1, 2, or 3

gubapptauth_partisan_rescaled4 Alternative condensed “directional” categorical variable of **gubapptauth_partisan**, denoting absence or existence of gubernatorial appointment control (binary indicator)

- **0:** Lack of gubernatorial appointment control (Baseline; **gubapptauth_partisan** is 0)
- **1: gubapptauth_partisan** is -1, -2, -3, 1, 2, or 3

ln_uiadmin_budget_real Log-transformed from variable **uiadmin_budget_real**

ln_pop_size Log-transformed from variable **pop_size**

ln_emp_contributions Log-transformed from variable **emp_contributions**

ln_detamt_clmtreal Log-transformed from variable **detamt_clmtreal**

ln_detamt_empreal Log-transformed from variable **detamt_empreal**

clmterror_est The annual sum of agency-responsible overpayment errors in a given state-year. Based on BAM quality control survey sampling estimates.

Source: Benefit Accuracy Measurement survey

ClaimantErrorDetection_Count The annual total number of claimant-responsible overpayment cases that are state agency initiated detections AND through BAM samples in a given state-year.

*Source: U.S. Department of Labor ETA-227 “Overpayment Detection and Recovery Activities” Report, 2002-2021
(Obtained from
<https://oui.doleta.gov/unemploy/DataDownloads.asp>)*

employerappeals_ct

Total Number of Employer-Based Appeals (in a given state agency-year). Defined as the total number of requests submitted by employers to either the lower or higher appeals authority to review a potential overpayment to a claimant that has imposed financial liability on the employer.

Computed as annual sum of columns ‘c55 (total number of lower-authority appeals decisions filed by employer)’ and ‘c56 (total number of higher-authority appeals decisions filed by employer)’

Source: ETA-5130 Benefit Appeals

(<https://oui.doleta.gov/unemploy/DataDownloads.asp>)

sai_detamt_clmtreal

Revised Dependent Variable: Overpayment Detection for Claimants (Only State Agency Initiated Error Detection Actual 2010 Constant Dollar Amounts — Exclude BAM Sample Overpayment Detection for Claimants Error Detection Actual 2010 Constant Dollar Amounts. *This is the total claimant-responsible overpayment amounts detected by BOTH the BAM Sample & State Agency Initiated Error Detection Minus BAM Sample Error Detection.*

= detamt_clmtreal - bamdetamt_clmtreal

sai_detct_clmt

The annual total number of claimant-responsible overpayment cases detected through State Agency Initiated Error Detection in a given state-year. *This is the total claimant-responsible overpayment*

cases detected by BOTH the BAM Sample & State Agency Initiated Error Detection Minus BAM Sample Error Detection.

= ClaimantErrorDetection_Count - bamdetct_clmt

region

Region identifier containing numerical identifier for each of the regions that are based on the Census

https://www2.census.gov/geo/pdfs/maps-data/maps/reference/us_regdiv.pdf

- South = 1
- Midwest: East North Central = 2
- Midwest: West North Central [i.e., Plains] = 3
- Northeast = 4
- West = 5

**APPENDIX 1: ADDITIONAL SOURCE OF INFORMATION REGARDING STATE
AGENCY STRUCTURES AND METHOD OF SELECTION***

**Latest Date of Access 11/24/2022*

Alabama

2013: The administering agency changes from employment services agency to labor agency.

- *Source: AL Code § 280-01-01-01 (<https://www.law.cornell.edu/regulations/alabama/Ala-Admin-Code-r-480-1-1-.01>)*

Arkansas

2019: employment services agency → employment services agency, nested within commerce agency

- *Source: AR Code § 11-10-301 (2018); AR Code § 11-10-301 (2019)*
(<https://law.justia.com/codes/arkansas/2018/title-11/chapter-10/subchapter-3/section-11-10-301/>; <https://law.justia.com/codes/arkansas/2019/title-11/chapter-10/subchapter-3/section-11-10-301/>)

Florida

2012: Method of selection changes from “G” → “GS”

- *Source: FL Code § 20-60 (2011)*
(http://www.leg.state.fl.us/statutes/index.cfm?mode=View%20Statutes&SubMenu=1&App_mode=Display_Statute&Search_String=department+of+economic+opportunity&URL=00-0099/0020/Sections/0020.60.html)

Iowa

2008-2009: Temporarily method of selection changes from “GS” → “AGS”

- *Source: Iowa Governor Executive Order NO.7*
(<https://www.legis.iowa.gov/docs/publications/EO/966081.pdf>)

Kentucky

2004: employment services agency → employment services agency, nested within education cabinet

- *Source: Retrieved by request on 11/01/2022; (Name: Tammy Hurst; Title: Education and Labor Cabinet, Executive Administrative Secretary; tammy.hurst@ky.gov)*

2020: employment services agency, nested within education cabinet → employment services agency, nested within labor agency

- *Source: Kentucky EO 2020-686 (<https://web.sos.ky.gov/execjournalimages/2020-MISC-2020-0686-268650.pdf>)*

Louisiana

2010: employment services agency, nested within labor agency → labor agency selection method changes from “A” → “GS”

- *Source: <https://www.doa.la.gov/media/2wxg4qhw/40.pdf>*

Massachusetts

2004: employment services agency, nested within labor agency → labor agency

- *Source: (http://help.workworldapp.com/wwwebhelp/unemployment_insurance_division_of_employment_and_training_services_det_massachusetts.htm)*

Michigan

2004: employment services agency → employment services agency, nested within commerce agency

2011: employment services agency, nested within commerce agency → department of licensing

2015: department of licensing → employment services agency

2019: employment services agency → labor agency

- *Source: Michigan Executive Order No. 2019-13 (<https://www.michigan.gov/whitmer/news/state-orders-and-directives/2019/06/06/executive-order-2019-13>)*

Mississippi

2004: Employment Security Commission → Department of Employment Security

- *Source: Retrieved by request on 11/02/2022; Chad Wallace (Director of Communications, Mississippi Department of Employment Security; Email: cwallace@mdes.ms.gov)*

North Carolina

2011: employment services agency → employment services agency, nested within commerce agency

- *Source: Retrieved by request on 10/27/2022; Jennifer Haigwood (Deputy Commissioner; Jennifer.haigwood@labor.nc.gov)*

South Carolina

2010: employment services agency → employment services agency (no change despite agency reorganization)

- *Source: South Carolina Administrative Code, SECTION 41-27
(<https://www.scstatehouse.gov/code/t41c027.php>)*

APPENDIX A2: FOOTNOTE ON THE UI FUNDING SYSTEM

The Unemployment Insurance (UI) program is jointly financed by states and the federal government but with divided roles. State unemployment taxes (SUTA) may fund only UI benefits and Federal unemployment taxes (FUTA) on employers pay for the administration of the UI programs. Authorized under Title III of the Social Security Act (42 U.S.C. §502). The U.S. Department of Labor determines the size of each state's administrative grant based on the factors including the state UI agency's annual workload (e.g., reported work hours, number of claims filed to the state agency) and projected maintenance costs that are reported by state UI agencies through the Resource Justification Model (RJM).

Source: *Congressional Research Services. (2022, March 1). Funding the State Administration of Unemployment Compensation (UC) Benefits (CRS Report No. IF10838).*

<https://crsreports.congress.gov/product/pdf/IF/IF10838/8>.